



# Managing Conflicts of Interest Policy

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## 1. Purpose

To ensure a consistent approach to integrity governance and risks associated with conflicts of interest across the WA health system, and to ensure effective governance of conflicts of interest including monitoring, evaluation and reporting. The *Managing Conflicts of Interest Policy* specifies the principles and minimum requirements with which WA health system entities must comply.

In line with the Public Sector Code of Ethics and [MP 0124/19 Code of Conduct Policy](#), Department of Health employees and Health Service Provider staff members are required to act with honesty and integrity and must:

- avoid situations which may give rise to conflicts of interest
- immediately declare any conflicts of interest or possible perception of conflicts of interest, including the disclosure of personal or professional matters that may lead to actual or perceived conflicts of interest.

Conflicts of interest arise when a Department of Health employee or a Health Service Provider staff member's official duty is directly affected or impacted by their personal or private interests. Actual, perceived and potential conflicts of interest are not inherently unethical or wrong, however they must be declared and managed.

Failure to declare conflicts of interest creates a risk that may undermine the public's trust and confidence in the WA health system and may:

- cause financial harm and loss
- damage the culture within the WA health system
- cause loss of confidence in the impartiality and honesty of Department of Health employees and Health Service Provider staff members
- present opportunities for misconduct, fraud or corruption.

This Policy is a mandatory requirement under the *Integrity Policy Framework* pursuant to section 26(2)(l) and section 20(1)(b) of the *Health Services Act 2016*.

This Policy is also a mandatory requirement for the Department of Health pursuant to section 29 of the *Public Sector Management Act 1994*.

This Policy supersedes MP 0113/19 *Managing Conflicts of Interest Policy* and Department of Health *Managing Conflict of Interest Policy and Guidelines*.

## 2. Applicability

This Policy is applicable to all WA health system entities, as defined in this Policy.

To the extent that the requirements contained within this Policy are applicable to the services purchased from contracted health entities, WA health system entities are responsible for ensuring these requirements are accurately reflected in the relevant contract and managed accordingly.

### 3. Policy requirements

WA health system entities must:

- make available information to Department of Health employees and Health Service Provider staff members, on the systems and process they are required to use to declare conflicts of interest, including conflicts identified in a meeting, by management or a third party
- promote to Department of Health employees and Health Service Provider staff members the risks associated with conflicts of interest and not declaring them
- identify the authorised persons in the WA health system entity who will be required to make decisions regarding the conflicts of interest and the agreed management plan for the resolution or management of the conflicts
- make available to the authorised persons in each WA health system entity, local procedures that enable prompt consideration of declared conflicts of interest, endorsement / approval, including documenting the management plan
- record all declared conflicts of interest, the authorised person's decision and management plan using the System Manager Conflict of Interest Declaration Registry (COIR); all fields in the System Manager COIR are mandatory and designed to assist Department of Health employees and Health Service Provider staff members in declaring the conflict of interest, and the authorised person in making a related decision about the declaration
- manage offers of gifts, benefits and hospitality which give rise to conflicts of interest, in accordance with [MP 0136/20 Gifts, Benefits and Hospitality Policy](#) and [MP 0047/17 Sponsorship Policy](#).

Department of Health employees and Health Service Provider staff members must:

- ensure their personal interest does not conflict, or appear to conflict, with their public duty
- immediately declare and manage all actual, perceived or potential personal or professional, pecuniary and non-pecuniary conflicts of interest (referred to in this Policy as 'conflicts of interest') using the System Manager COIR
- participate in the development of the management plan to manage or resolve conflicts of interest.

WA health system entities must ensure all conflicts of interest are recorded in the System Manager COIR, including, but not limited to, conflicts arising from the following activities:

- receipt of gifts, benefits and hospitality
- sponsorships
- grants
- board and committee membership
- additional/outside employment
- relationships or associations
- research
- staff travel.

The WA health system entity must ensure all conflicts of interest relating to the purchase (Procurement) and disposal of goods and services including the management of tenders and contracts are recorded in accordance to the requirements of the State Supply Commission Policies, *Financial Management Act 2006*, Treasurer's Instructions, the [Financial Management Policy Framework](#) and the [Procurement Policy Framework](#).

The WA health system entity must ensure all conflicts of interest relating to recruitment processes including filling of a public sector vacancy are recorded according to [MP033/16 Recruitment, Selection and Appointment Policy](#).

The WA health system entity must ensure all conflicts of interests declared in meetings are managed and recorded in the minutes of the meeting.

A breach of this mandatory policy by a Department of Health employee may constitute a breach of discipline. Refer to the [Department of Health Discipline Policy](#). If the breach of discipline relates to a suspected act of misconduct it will be reported and managed appropriately.

A breach of this mandatory policy by a Health Service Provider staff member may constitute a breach of discipline. Refer to [MP 0127/20 Discipline Policy](#), which specifies the breach of discipline process.

A breach of this mandatory policy by a Health Service Provider staff member may constitute misconduct. Refer to [MP 0125/19 Notifiable and Reportable Conduct Policy](#), which specifies the misconduct reporting process.

For Contracted Medical Practitioners a breach of this mandatory policy may constitute a dispute about professional conduct. Refer to [MP 0083/18 Disputes About the Professional Conduct of a Contracted Medical Practitioner Engaged Under a Medical Services Agreement](#), which specifies this process.

#### **4. Compliance monitoring**

WA health system entities are responsible for ensuring compliance with this Policy.

The Department of Health, as System Manager, may provide reports to the Minister for Health when requested, in any form that the Department CEO sees fit, regarding conflicts of interest declarations of all WA health system entities, using information obtained from the System Manager COIR.

In addition, the System Manager may:

- request an attestation of compliance from each Health Service Provider
- review data associated with conflicts of interest for assurance purposes.

Such a review of data will be undertaken in consultation with the applicable WA health system entities.

The Department of Health (System-wide Integrity Services), as a Department of State, is responsible for monitoring and reporting Department of Health compliance with this Policy to Executive.

## 5. Related documents

The following documents are mandatory pursuant to this Policy:

- N/A

## 6. Supporting information

The following information is not mandatory but informs and/or supports the implementation of this Policy:

- [System Manager Conflicts of Interest Registry \(COIR\) User Guide](#)
- [Managing Conflicts of Interest Information](#)
- [The Integrity Coordinating Group Conflicts of Interests Guidelines for the Western Australia Public Sector](#)
- [Western Australian Public Sector Code of Ethics](#)

## 7. Definitions

The following definition(s) are relevant to this Policy.

Term	Definition
Actual conflict of interest	<p>There is a real conflict between a Department of Health employee or Health Service Provider staff member's public duties and private interests.</p> <p>Where a person's duties as a member of staff (that is the principal goals of the profession or activity, the duties of public office, the protection of clients, the health of patients, or the integrity of research) may be unduly influenced by a secondary interest (such as a personal or competing professional interest, including secondary employment or office).</p>
Authorised person	<p>A Department of Health employee or Health Service Provider staff member authorised, by the Director General or Chief Executive of the WA health entity, to make decisions regarding conflicts of interest for a Department of Health employee or Health Service Provider staff member as detailed in the relevant authorisations and delegations schedule.</p>
Benefit	<p>Intangible items which relate to or result in an advantage to a Department of Health employee or Health Service Provider staff member such as preferential treatment, privileged access or favours.</p> <p>Examples include, but are not limited to, items such as personal service, job offers, access to discounts and loyalty programs, access to confidential information, and invitations to sporting or other events.</p> <p>The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.</p>

Conflict of interest	A situation arising from conflict between the performance of public duty and private or personal interests. Conflicts of interest may be actual, or be perceived to exist, or potentially exist at some time in the future.
Conflicts of Interest Registry (COIR)	An electronic database to record all conflicts of interest. It records the date the declaration was made and by whom, the nature of the conflict, the type of conflict (actual, potential or perceived) and proposed management plan. It details the authorised person's decision in relation to the conflict, documents the agreed management plan and the approval of the management plan.
Corruption	<p>Corruption is defined by Australian Standard AS8001:2021 as: "<i>Dishonest activity in which a person associated with an organisation (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation</i>".</p> <p>Corruption is any conduct that is improper, immoral or fraudulent and may, under certain circumstances, include but is not limited to:</p> <ul style="list-style-type: none"> <li>• serious conflict of interest</li> <li>• dishonestly using influence</li> <li>• blackmail</li> <li>• manipulation of procurement process</li> <li>• acceptance of gifts and hospitality</li> <li>• acceptance of a bribe</li> <li>• misuse of information systems, internet or email</li> <li>• unauthorised release of confidential, private information or intellectual property.</li> </ul> <p>Corruption is a serious criminal offence, punishable by a term of imprisonment and is defined within Chapters XII and XIII of the <i>Criminal Code Act Compilation Act 1913</i>.</p>
Department of Health employee	In relation to the Department of Health and in accordance with section 3 of the <i>Public Sector Management Act 1994</i> , employee means a person employed in the Public Sector by or under an employing authority.
Gift	<p>A gift is anything of value offered or gifted (including prizes) to a Department of Health employee or Health Service Provider staff member in addition to their normal salary or employment entitlements by a member of the public, customer, client, applicant, co-worker, supplier, potential supplier or external organisation.</p> <p>Gifts are generally tangible. Examples include, but are not limited to, items such as consumer goods (such as mobile phones, laptop computers, artwork, jewellery, alcohol, consumables), items offered by a commercial organisation, discounts on goods and services and cash.</p>

Hospitality	Items which relate to the entertaining of a Department of Health employee or Health Service Provider staff member by a member of the public, customer, client, applicant, supplier or external organisation and includes, but is not limited to meals, invitations to events, and catering of events by suppliers or external organisations.
Integrity	The expected standards of behaviour and actions of Department of Health employees or Health Service Provider staff members which reflect honesty, accountability, transparency, impartiality, and acting with care and diligence.
Misconduct	<p>In accordance with the <i>Corruption, Crime and Misconduct Act 2003</i> Section 4  Misconduct occurs if —</p> <ul style="list-style-type: none"> <li>(a) a public officer corruptly acts or corruptly fails to act in the performance of the functions of the public officer’s office or employment  or</li> <li>(b) a public officer corruptly takes advantage of the public officer’s office or employment as a public officer to obtain a benefit for himself or herself or for another person or to cause a detriment to any person  or</li> <li>(c) a public officer whilst acting or purporting to act in his or her official capacity, commits an offence punishable by 2 or more years’ imprisonment  or</li> <li>(d) a public officer engages in conduct that — <ul style="list-style-type: none"> <li>(i) adversely affects, or could adversely affect, directly or indirectly, the honest or impartial performance of the functions of a public authority or public officer whether or not the public officer was acting in their public officer capacity at the time of engaging in the conduct  or</li> <li>(ii) constitutes or involves the performance of his or her functions in a manner that is not honest or impartial  or</li> <li>(iii) constitutes or involves a breach of the trust placed in the public officer by reason of his or her office or employment as a public officer  or</li> <li>(iv) involves the misuse of information or material that the public officer has acquired in connection with his or her functions as a public officer, whether the misuse is for the</li> </ul> </li> </ul>



	<p>benefit of the public officer or the benefit or detriment of another person, and constitutes or could constitute —</p> <p>(v) [deleted]</p> <p>(vi) a disciplinary offence providing reasonable grounds for the termination of a person's office or employment as a public service officer under the <i>Public Sector Management Act 1994</i> (whether or not the public officer to whom the allegation relates is a public service officer or is a person whose office or employment could be terminated on the grounds of such conduct).</p>
Non-pecuniary interest	<p>An interest which does not relate to money, but which may relate to a non-financial gain or loss to a person or someone associated with them. For example, relative, family member, friendship, volunteer role, membership of an association, society or trade union or involvement (or interest) in an activity.</p>
Pecuniary interest	<p>An interest associated with a reasonable likelihood of expectation of any financial gain or loss to a person or to someone associated with them, for example relative, friends, partners or work colleagues.</p>
Perceived conflict of interest	<p>The public or a third party could form the view that a Department of Health employee or Health Service Provider staff member has a private interest that could improperly influence their decisions or actions, now or in the future, whether or not this is in fact the case.</p>
Potential conflict of interest	<p>A Department of Health employee or Health Service Provider staff member has private interests that could conflict with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk.</p>
Staff member	<p>Pursuant to section 6 of the <i>Health Services Act 2016</i>, a staff member of a Health Service Provider means:</p> <ul style="list-style-type: none"> <li>(a) an employee in the Health Service Provider</li> <li>(b) a person engaged under a contract for services by the Health Service Provider.</li> </ul>
WA health system entity	<ul style="list-style-type: none"> <li>• All Health Service Providers as established by an order made under section 32(1)(b) of the <i>Health Services Act 2016</i></li> <li>• Department of Health as an administrative division of the State of Western Australia pursuant to section 35 of the <i>Public Sector Management Act 1994</i>.</li> </ul>

	Note: Contracted health entities are not considered WA health system entities.
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## 8. Policy contact

Enquiries relating to this Policy may be directed to:

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## 9. Document control

Version	Published date	Effective from	Review date	Effective to	Amendment (s)
MP 0138/20	11 June 2020	11 June 2020	June 2021	6 August 2021	Original version
MP 0138/20 v.1.1	6 August 2021	6 August 2021	December 2021	11 February 2022	Minor amendment details below
<ul style="list-style-type: none"> <li>• Mandatory Policy: updated hyperlinks in Section 3 and Section 6</li> <li>• Supporting information: updated hyperlinks in <i>Managing Conflicts of Interest Information</i></li> </ul>					
MP 0138/20 v.1.2	11 February 2022	11 February 2022	February 2023	Current	Minor amendment details below
<ul style="list-style-type: none"> <li>• Minor rewording changes throughout the policy</li> <li>• Addition of statement regarding applicability to contracted health entities</li> <li>• Minor amendments to definitions.</li> </ul>					

## 10. Approval

<b>Approval by</b>	Nicole O'Keefe, Assistant Director General, Strategy and Governance, Department of Health
<b>Approval date</b>	9 June 2020



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